

## FINANCE COMMITTEE MEETING

The Finance Committee of the City of Norfolk, Nebraska met in the City's Conference Room, 309 West Madison Avenue, Norfolk, Nebraska, on Monday, June 12, 2006, beginning at 7:00 a.m.

Mayor Gordon D. Adams called the meeting to order.

Roll call found the following Committee members present: Mayor Gordon Adams and Councilpersons Kaspar-Beckman, Brenneman, Fauss, Lange, Saunders, Stauffer, Van Dyke and Wilson. Absent: None.

Staff members present were City Administrator Mike Nolan, Public Works Director Dennis Smith, City Attorney Clint Schukei, City Clerk Beth Deck, Finance Officer Randy Gates and Information Systems Manager Jim McKenzie.

The media was represented by Jim Curry, WJAG/KEXL, and Greg Wees, Norfolk Daily News.

Notice of the meeting was given in advance by publication in the Norfolk Daily News, and notice of the meeting was given to the Mayor and all members of the Council prior to the meeting.

The Mayor presided and the City Clerk recorded the proceedings.

The first item discussed was **Aquila's** annual price option program and a current construction plan. Scott Zaruba, Aquila representative, explained Aquila is currently working on a project to replace 1,200 copper loops in Norfolk. This portion of the project will run through September 2006. Aquila has a contract company replacing the loops and Zaruba wanted elected officials to be aware of the project.

Zaruba updated Finance Committee members on Aquila's new billing option—the annual price option program. Zaruba explained the Annual Price Option is no guarantee of gas cost savings. The Annual Price Option is a budgeting tool that establishes an unvarying price per therm for the biggest component of natural gas bills. This option is in its pilot year and includes an enrollment cap of 39,000 Nebraska residential customers. Aquila's bills include the cost of natural gas (total of the PGA and GCR), a base rate, and additional charges and fees approved by the Nebraska Public Service Commission. By far the largest portion of the bill is the PGA, which accounts for approximately 80 percent of the total annual bill. With traditional billing, the PGA price per therm can fluctuate monthly in response to the varying market price of natural gas. Monthly decreases or increases in the market price of gas will not affect the PGA line on the bill with the Annual Price Option.

This item was for informational purposes only.

The next item discussed was the July 22, 2002 invoice from Research Associates to the Norfolk Chamber of **Commerce** in the amount of \$8,100.00.

Councilperson Fauss stated Dan **Mauk** requested Fauss pull Item #2 off the agenda.

Councilperson Fauss moved, seconded by Councilperson Kaspar-Beckman to delete Item #2, discussion of the July 22, 2002 invoice from Research Associates to the Norfolk Chamber of Commerce in the amount of \$8,100.00, from the agenda.

Councilperson Saunders questioned why the item should be taken off the agenda.

Fauss said Mauk “told me he put it on the agenda and he wants to get it off now.”

Mauk stated “Nolan put it on the agenda”. Mauk said the item was resolved on June 5, 2006 and there’s nothing further for elected officials to act upon. Mauk sent a letter and email on Friday, June 9, 2006 to the Mayor and City Council formally withdrawing any claim related to the July 22, 2002 fees paid to Research Associates.

Councilperson Stauffer “feels it goes deeper than what we are acting on”.

City Administrator Mike Nolan distributed the following documents related to the issue:

- \* Chronology dated June 11, 2006 of the contacts City staff had with Mauk between June 5 and June 9, 2006
- \* Memo dated June 11, 2006 with Richard Baier, Director of Nebraska Department of Economic Development, which occurred at the Nebraska City Manager Association Conference in Ogallala regarding the City/Chamber relationship issue in the City of Norfolk
- \* Citizen (anonymous) comment to Mike Nolan on June 9, 2006 who “has first-hand knowledge that Dan Mauk is trying to keep the heat turned up on me (Nolan) so that I will resign.”

Nolan doesn’t have anything further to say about the Research Associates bill. Nolan is “ok” with Mauk withdrawing the bill from consideration for payment by the City Council. Nolan wanted elected officials to be aware of all the events that have happened and “mostly to keep myself accountable to elected officials.”

Councilperson Stauffer feels the issue goes deeper than this one topic. Stauffer suggested a subcommittee meet with the Board of Directors of the Chamber without staff present to discuss the issues and come to some kind of final decision. Stauffer said the City and Chamber “need to move on.”

Mauk is supportive of the subcommittee process to discuss the issues.

Councilperson Wilson agrees with Stauffer’s recommendation. Wilson said “there are so many things in the past that keep causing problems” for the City. Wilson said Mauk and Nolan are “two good workers who could do a lot for Norfolk but they are pulling in opposite directions.” Wilson said everyone needs to pull in the same direction for the improvement of Norfolk. Wilson said 1-2 months ago elected officials requested a meeting be set up to talk about the issues with the Chamber of Commerce and Wilson questioned whether that has occurred.

Nolan said the meeting has not been scheduled.

Mayor Adams did meet with Don Polodna, Dan Mauk and Mike Nolan to discuss issues. However, there haven’t been any other meetings of the same group.

Roll call on the motion to delete Item #2 from the agenda: Ayes: Kaspar-Beckman, Fauss, Van Dyke and Wilson. Nays: Brenneman, Lange, Saunders, Stauffer and Mayor. Motion failed.

Councilperson Lange moved, seconded by Councilperson Stauffer to establish a subcommittee of the City Council and the Chamber of Commerce Executive Board to further review documentation regarding this issue and get it resolved. Roll call: Ayes: Kaspar-Beckman, Brenneman, Fauss, Lange, Saunders, Stauffer, Van Dyke, Wilson and Mayor. Motion carried.

City Administrator Mike Nolan reported on the request from Troy Jones of **Sterling Computers** for legislative support regarding HUBZone designation. A letter of support, dated June 5, 2006, was mailed to Senators Chuck Hagel, Ben Nelson and Jeff Fortenberry. Nolan followed up on the letter with a phone call on June 8, 2006 to Joe Cwiklinski of Senator Hagel's office and Angela St. Noshzin of Senator Nelson's office. Nolan will follow up with a phone call to Senator Fortenberry's office sometime this week. Hagel and Nelson's staff indicate general support of the HUBZone designation.

This item was for informational purposes only.

Public Works Director Dennis Smith briefly discussed the **Transportation** Plan 2030. Smith said City staff is in the process of finalizing the Norfolk Transportation Plan 2030 to bring it to the Planning Commission and City Council for formal approval. An informational public meeting was held on May 22, 2006 and only two comments have been received since the meeting. One couple who lives on 25th Street is concerned about possible impacts to their property if 25th Street is widened to three lanes. Faith Regional Health Services (FRHS) requests the City take a more detailed look at their campus. Staff has a meeting set up with representatives from FRHS to discuss the issue.

Councilperson Brenneman questioned why Benjamin Avenue, 1st Street to 13th Street, is being considered as a 5-lane road in the Plan since the City "just went through a project there to enhance traffic flow."

City Administrator Mike Nolan said it is up to elected officials on prioritizing projects. Nolan discussed the Nucor Road project. The State made a commitment for \$1.7 million and that amount has not increased over the last several years. Nolan stated there are a lot of projects competing for funds and elected officials must make the decision as to which projects get completed.

Councilperson Van Dyke said Benjamin Avenue, 1st Street to 13th Street, is a dangerous road. A turn lane would be beneficial in that area.

Mayor Adams questioned whether a 3-lane street can carry as much traffic as an undivided 4-lane street.

Smith said a 3-lane street can carry close to the same amount of traffic. There is a lot of right-turn traffic off Benjamin that may somewhat impact a 3-lane street because traffic would need to slow down for those vehicles. The real reason for changing the configuration would be the safety aspect of an undivided 4-lane street. There are a lot of accidents on Benjamin Avenue from 1st Street to 13th Street but the accident ratio isn't high because of the large amount of traffic on the street.

Councilperson Lange has concerns that the Nucor Road project isn't moving forward.

Nolan said the Nucor Road project is a partnership between the City of Norfolk, Madison County and Stanton County. There have been multiple conversations about the project over the

last 2-3 years. Nolan said plans do need to get in place; however, prospects for receiving block grants and additional state funding is bleak. Nolan stated the project may need a lot of additional local funding.

This item was for informational purposes only.

The last item discussed was a request from the Elkhorn Valley Amateur **Radio Club** for use of the Skyview Shelter from June 24 to June 25, 2006 to conduct an emergency radio communications center. This event enables amateur radio clubs nationwide to test their capabilities in a field/emergency environment. The Elkhorn Valley Amateur Radio Club carries liability insurance for such events and will provide a certificate of insurance naming the City of Norfolk as additional insured.

Councilperson Brenneman moved, seconded by Councilperson Fauss to approve the request from the Elkhorn Valley Amateur Radio Club to use Skyview Shelter on June 24, 2006 and June 25, 2006 to conduct an emergency radio communications center. Roll call: Ayes: Council members Kaspar-Beckman, Brenneman, Fauss, Lange, Saunders, Stauffer, Van Dyke, Wilson and Mayor Adams. Nays: None. Absent: None. Motion carried.

Councilperson Brenneman moved, seconded by Councilperson Fauss to adjourn the meeting at 7:30 a.m. Roll call: Ayes: Council members Kaspar-Beckman, Brenneman, Fauss, Lange, Saunders, Stauffer, Van Dyke, Wilson and Mayor Adams. Nays: None. Absent: None. Motion carried.

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Elizabeth A. Deck  
City Clerk